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SENATE BILL 611

49TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2009

INTRODUCED BY
Stuart Ingle

AN ACT

RELATING TO CAMPAIGN FINANCE; PROHIBITING CERTAIN CONTRIBUTIONS
AND SOLICITATIONS OF CONTRIBUTIONS BY THE PRINCIPALS OF
INVESTMENT SERVICES CONTRACTORS AND PROSPECTIVE INVESTMENT
SERVICES CONTRACTORS; PROHIBITING CERTAIN SOLICITATIONS OF
CONTRIBUTIONS FROM INVESTMENT SERVICES CONTRACTORS AND
PROSPECTIVE INVESTMENT SERVICES CONTRACTORS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. A new section of the Campaign Reporting Act is
enacted to read:

"[NEW MATERIAL] CONTRIBUTIONS FROM INVESTMENT SERVICES
CONTRACTORS PROHIBITED.--

A. No principal of an investment services contractor
or prospective investment services contractor shall make a
contribution to, or solicit contributions on behalf of:

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1 (1) a candidate or candidate committee of a
2 candidate for nomination or election to the office of governor,
3 lieutenant governor, state treasurer, state auditor, attorney
4 general, secretary of state or commissioner of public lands;

5 (2) a person elected or appointed to the
6 office of governor, lieutenant governor, state treasurer, state
7 auditor, attorney general, secretary of state or commissioner
8 of public lands; or

9 (3) a political committee authorized to make
10 contributions or expenditures to or for the benefit of such
11 officers or candidates.

12 B. If a principal of an investment services
13 contractor makes or solicits a contribution prohibited by
14 Subsection A of this section, the contracting state agency or
15 instrumentality of the state may, in the case of a state
16 contract executed on or after the effective date of this
17 section, void the existing contract with that contractor, and
18 no state agency or instrumentality of the state shall award
19 that contractor a state investment services contract or an
20 extension or an amendment to a state investment services
21 contract for two years after the election for which the
22 contribution is made or solicited. Each investment services
23 contract shall include the provisions of Subsection A of this
24 section and this subsection as conditions of the contract.

25 C. The governor, lieutenant governor, state

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1 treasurer, state auditor, attorney general, secretary of state
2 or commissioner of public lands, a candidate for the office of
3 one of those public officers or any agent of one of those
4 officers or candidates for one of those offices, shall not
5 solicit contributions on behalf of a candidate, a candidate
6 committee or a political committee from a principal of an
7 investment services contractor or prospective investment
8 services contractor.

9 D. The provisions of this section shall not
10 restrict a principal of an investment services contractor or
11 prospective investment services contractor from establishing a
12 candidate committee for the principal's own campaign or from
13 soliciting contributions from persons not prohibited from
14 making contributions by this section.

15 E. As used in this section:

16 (1) "investment services" means banking and
17 deposit services, investment legal services, investment banking
18 services, investment advisory services, underwriting services,
19 financial advisory services, brokerage firm services or the
20 investment of public funds, including the purchase or sale of
21 securities, derivatives or other financial instruments;

22 (2) "investment services contract" means an
23 agreement or contract with a state agency in the executive
24 branch or an instrumentality of the state for investment
25 services, investment management services or other

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1 investment-related services involving the investment of public
2 funds or issuance of bonds and includes the direct purchase or
3 sale of securities, derivatives or other financial instruments;

4 (3) "investment services contractor" means a
5 person or business entity that is paid compensation, expenses
6 or fees for investment services by, or has a contract for
7 investment services with, a state agency in the executive
8 branch or an instrumentality of the state;

9 (4) "principal of an investment services
10 contractor or prospective investment services contractor"
11 means, in addition to the investment services contractor itself
12 and any of its affiliates:

13 (a) a person who is a member of the
14 board of directors of, or has an ownership interest in, an
15 investment services contractor or prospective investment
16 services contractor, except for an individual who owns less
17 than five percent of the shares of that contractor, or
18 prospective contractor, that is a publicly traded corporation;

19 (b) a person who is employed by an
20 investment services contractor or prospective investment
21 services contractor;

22 (c) an agent of an investment services
23 contractor or prospective investment services contractor who
24 has managerial or discretionary responsibilities for an
25 investment services contract;

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(d) the spouse or a dependent child of a person described in this paragraph; or

(e) a political committee established by or on behalf of a person described in this paragraph; and

(5) "prospective investment services contractor" means a person or business entity that submits a response to a solicitation for investment services from a state agency or an instrumentality of the state, or a proposal in response to a request for proposals for investment services by a state agency or an instrumentality of the state, until the contract has been entered into."